

Regular Session, 2010

HOUSE BILL NO. 934

BY REPRESENTATIVE NOWLIN

COLLEGES/UNIVERSITIES: Provides for additional purposes for which public postsecondary education management boards shall use revenues from oil, gas, and mineral leases

1 AN ACT

2 To amend and reenact R.S. 17:3367(C), relative to public postsecondary education
3 management boards; to provide relative to the purposes for which public
4 postsecondary education management boards shall use revenues from oil, gas, and
5 mineral leases; to provide relative to certain capital projects; and to provide for
6 related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 17:3367(C) is hereby amended and reenacted to read as follows:

9 §3367. Authority to execute mineral leases on college and university lands; term;
10 use of revenues

11 * * *

12 C.(1) Revenues from oil, gas, and mineral leases executed by each board as
13 authorized in Subsection A of this Section shall be allocated to the board which
14 executed the lease, or its successor, and shall be used by the recipient board solely
15 for the benefit of the college or university located on the leased properties. As to
16 each such college or university, these revenues shall be in addition to any other
17 revenues or funds appropriated or otherwise provided for or available to the college
18 or university, and in no case shall any of these revenues be computed or considered
19 by the division of administration or otherwise in determining the amounts to be
20 appropriated to or for the college or university in the general appropriation act or any
21 other act, and in no case shall these revenues, or any part of them, be computed or

1 considered in determination of the allocation of funds under the Board of Regents
2 appropriation formula for higher education.

3 (2) The revenues received under this Subsection for a college or university
4 shall be used for the following purposes:

5 (a) To alleviate safety hazards and other bona fide emergency conditions.

6 (b) To make needed major repairs to buildings, grounds, streets, and parking
7 lots, purchase land, and upgrade utility systems of that institution.

8 (c) For new capital construction or capital acquisitions.

9 (d) For establishment of permanent endowment funds from which
10 investment earnings are used for scholarships or as salaries or a supplement for
11 salaries or for other expenses directly related to scholarly work for faculty members
12 at the college or university.

13 (e) For other operating expenses upon approval of the appropriate public
14 postsecondary education management board.

15 ~~(3) Capital projects costing one hundred fifty thousand dollars or more shall~~
16 ~~be included in a capital outlay budget for submission to and action by the legislature.~~

17 ~~(4)~~ In order to ~~insure~~ ensure that the highest priority shall be given to the
18 projects aimed at preserving and improving existing facilities, the Board of Regents
19 shall recommend priorities for emergencies and major repairs required on the college
20 and university campuses.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Nowlin

HB No. 934

Abstract: Adds purposes for which public postsecondary education management boards may use revenues from oil, gas, and mineral leases.

Present law authorizes public postsecondary education management boards, subject to the approval of the State Mineral and Energy Board, to execute and fix the terms and conditions of oil, gas, and mineral leases upon certain lands. Provides that revenues from such leases shall be used by the recipient board solely for the benefit of the college or university located on the leased properties. Specifies that such revenues shall be used for the following purposes:

- (1) To alleviate safety hazards and other bona fide emergency conditions.
- (2) To make needed major repairs to buildings, grounds, streets, and parking lots, purchase land, and upgrade utility systems.
- (3) For new capital construction or capital acquisitions.
- (4) For establishment of permanent endowment funds from which investment earnings are used for scholarships or as salaries or salary supplements or for other expenses directly related to scholarly work for faculty members.

Proposed law adds other operating expenses upon the board's approval to this list of purposes for which such revenues shall be used.

Present law requires capital projects costing \$150,000 or more to be included in a capital outlay budget for submission to and action by the legislature. Proposed law deletes present law. Retains present law and provides that colleges and universities may undertake projects costing less than \$500,000 without being included in a capital outlay budget.

(Amends R.S. 17:3367(C))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Education to the original bill.

1. Deleted present law requirement that capital projects costing \$150,000 or more be included in a capital outlay budget for submission to and action by the legislature.
2. Made technical changes.